

February 28, 2003

IMC Chemicals Inc.

P.O. Box 367

Trona, California 93592-0367

Dr. Kai Dunn California Regional Water Quality Control Board, Lahontan Region 15428 Civic Drive, Suite 100 Victorville, CA 92392-2359

Re: ACL Order R6V-2002-0025, Item 3.E. ACE Water Recycling

Dear Dr. Dunn:

This report satisfies Item 3.E. of the California Regional Water Quality Control Board's Administrative Civil Liability Order R6V-2002-0025. ACL Order Item 3.E. requires IMC Chemicals (IMCC) to submit a report by March 15, 2003, on the project that delivers ACE cooling tower blowdown water to IMCC's Argus Plant. The project was designed to reduce brackish water consumption, and it was placed in service on February 28, 2002.

IMCC last reported to the CRWQCB in April 2002 on the successful completion of the project. ACE cooling tower blowdown water continues to flow to the Argus Plant at a little over 300 gpm; however, the total volume of brackish water used varies from month to month. IMCC applied an overall perspective to evaluate success of the project. In other words, IMCC compared the total volume of brackish water used by Argus during the period of March 2001 through January 2002 (Period 1) with the total volume of brackish water used by Argus during the period of March 2002 to January 2003 (Period 2). The volume of brackish water used in Period 2, after the project was completed, is 31,280,432 gallons less than Period 1.

Please contact me if you have any questions regarding this report. I can be reached by telephone at (760) 372-2118 or by e-mail at <u>kirchner@nachem.com</u>.

Sincerely,

Denise Kirchner

Copy to:

Distribution Sheet Attached